

LEGISLATURE OF NEBRASKA

NINETY-NINTH LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 605

FINAL READING

Introduced by Thompson, 14; Cudaback, 36

Read first time January 18, 2005

Committee: Appropriations

A BILL

1 FOR AN ACT relating to state universities and state colleges;
2 to state intent; to create the University of Nebraska
3 Facilities Program of 2006 and the State Colleges
4 Facilities Program of 2006; to provide powers and duties
5 for the Board of Regents of the University of Nebraska
6 and the Board of Trustees of the Nebraska State Colleges
7 relating to construction and improvement projects; and to
8 declare an emergency.
9 Be it enacted by the people of the State of Nebraska,

1 Section 1. (1) The Legislature finds and determines
2 that protecting investments in buildings through the completion of
3 deferred maintenance, repair, renovation, and facility replacement
4 construction projects is of critical importance to the State
5 of Nebraska. The Legislature further recognizes that arresting
6 the continued deterioration of buildings, limiting the effects
7 of inflation on the costs of such deferred maintenance, repair,
8 renovation, and facility replacement construction, and bringing
9 such buildings into compliance with current health and safety
10 requirements at the earliest possible time is necessary for
11 protecting such investment in the buildings of the State of
12 Nebraska. In order to accomplish these goals, it is necessary,
13 desirable, and advisable that the Legislature provide for the
14 receipt of funds for such purposes as soon as practicable with the
15 repayment of such funds to be made over a period of years. The
16 Legislature recognizes the commitment of (a) the Board of Regents
17 of the University of Nebraska to provide matching funds up to
18 eleven million dollars per year for the period beginning with the
19 fiscal year commencing July 1, 2009, and continuing through the
20 fiscal year ending June 30, 2021, for a total of up to one hundred
21 twenty-one million dollars to supplement amounts appropriated from
22 the General Fund pursuant to section 3 of this act and (b)
23 the Board of Trustees of the Nebraska State Colleges to provide
24 matching funds up to one million two hundred thousand dollars per
25 year for the period beginning with the fiscal year commencing July

1 1, 2006, and continuing through the fiscal year ending June 30,
2 2020, for a total of up to fourteen million four hundred thousand
3 dollars to supplement amounts appropriated from the General Fund
4 pursuant to section 6 of this act.

5 (2) Sections 1 to 7 of this act do not modify,
6 reduce, or eliminate any provision of subsection (10) of section
7 85-1414 requiring the approval of the Coordinating Commission
8 for Postsecondary Education for any deferred maintenance, repair,
9 renovation, facility addition, or facility replacement construction
10 project authorized by section 3 or 6 of this act and undertaken by
11 the Board of Regents of the University of Nebraska or the Board of
12 Trustees of the Nebraska State Colleges.

13 Sec. 2. The University of Nebraska Facilities Program
14 of 2006 is created. All funds appropriated to the program by the
15 Legislature shall be used exclusively for deferred maintenance,
16 repair, renovation, facility renovation, and facility replacement
17 construction projects authorized pursuant to section 3 of this act.

18 Sec. 3. (1) The Legislature shall appropriate from the
19 General Fund (a) an amount not less than five million five hundred
20 thousand dollars for each fiscal year for the period beginning
21 with the fiscal year commencing July 1, 2006, and continuing
22 through the fiscal year ending June 30, 2009, and (b) an amount
23 not less than eleven million dollars for each fiscal year for
24 the period beginning with the fiscal year commencing July 1,
25 2009, and continuing through the fiscal year ending June 30,

1 2020, to the University of Nebraska Facilities Program of 2006 to
2 be used by the Board of Regents of the University of Nebraska
3 to accomplish projects as provided in this section. Through the
4 allotment process established in section 81-1113, the Department
5 of Administrative Services shall make appropriated funds available.
6 Undisbursed appropriations balances existing in the University of
7 Nebraska Facilities Program of 2006 at the end of each fiscal year
8 until June 30, 2021, shall be and are hereby reappropriated.

9 (2) The Legislature finds and determines that the
10 projects funded through the University of Nebraska Facilities
11 Program of 2006 are of critical importance to the State
12 of Nebraska. It is the intent of the Legislature that the
13 appropriations to the program shall not be reduced until all
14 contracts and securities relating to the construction and financing
15 of the projects or portions of the projects funded from such funds
16 or accounts of such funds are completed or paid but in no case
17 shall such appropriations extend beyond the fiscal year ending
18 June 30, 2020, nor shall the cumulative total of the General Fund
19 appropriations for the program exceed one hundred thirty-seven
20 million five hundred thousand dollars.

21 (3) Subject to the receipt of project approval from
22 the Coordinating Commission for Postsecondary Education as
23 required by subsection (10) of section 85-1414 for each of
24 the following University of Nebraska projects, the Board of
25 Regents of the University of Nebraska is authorized to make

1 expenditures from the University of Nebraska Facilities Program
2 of 2006 for the following projects: (a) Deferred maintenance,
3 repair, and renovation of University of Nebraska at Kearney
4 Bruner Hall; (b) construction of University of Nebraska at Kearney
5 campus-wide central utilities plant and system; (c) construction
6 of facilities to replace University of Nebraska-Lincoln Behlen,
7 Brace, and Ferguson Halls or deferred maintenance, repair, and
8 renovation of University of Nebraska-Lincoln Behlen, Brace,
9 and Ferguson Halls; (d) construction of a facility to replace
10 University of Nebraska-Lincoln Keim Hall or deferred maintenance,
11 repair, and renovation of University of Nebraska-Lincoln Keim
12 Hall; (e) deferred maintenance, repair, and renovation of
13 University of Nebraska-Lincoln Sheldon Memorial Art Gallery; (f)
14 deferred maintenance, repair, and renovation of University of
15 Nebraska-Lincoln Animal Science Complex; (g) deferred maintenance,
16 repair, and renovation of University of Nebraska Medical Center
17 Poynter, Bennet, and Wittson Halls; (h) deferred maintenance,
18 repair, and renovation of University of Nebraska Medical Center
19 Eppley Institute for Research in Cancer and Allied Diseases;
20 (i) deferred maintenance, repair, and renovation of University
21 of Nebraska Medical Center College of Dentistry; (j) deferred
22 maintenance, repair, and renovation of University of Nebraska at
23 Omaha Library; and (k) deferred maintenance, repair, and renovation
24 of University of Nebraska at Omaha utilities infrastructure.

25 (4) Expenditures of matching funds provided for the

1 projects listed in this section by the Board of Regents of the
2 University of Nebraska as provided for in section 1 of this act
3 shall be accounted for in the Nebraska State Accounting System
4 through the University of Nebraska Facilities Program of 2006 or
5 according to some other reporting process mutually agreed upon by
6 the University of Nebraska and the Department of Administrative
7 Services.

8 (5) The Board of Regents of the University of Nebraska
9 shall record and report, on the Nebraska State Accounting System,
10 expenditure of amounts from the University of Nebraska Facilities
11 Program of 2006 and expenditure of proceeds arising from any
12 contract entered into pursuant to this section and section 4 of
13 this act in such manner and format as prescribed by the Department
14 of Administrative Services or according to some other reporting
15 process mutually agreed upon by the University of Nebraska and the
16 Department of Administrative Services.

17 (6) The Board of Regents of the University of Nebraska
18 shall provide to the Task Force for Building Renewal semiannual
19 reports concerning the status of each project authorized by this
20 section.

21 Sec. 4. (1) In order to accomplish any projects
22 authorized by section 3 of this act, the Board of Regents of the
23 University of Nebraska may enter into contracts with any person,
24 firm, or corporation providing for the implementation of any
25 such project of the University of Nebraska and providing for the

1 long-term payment of the cost of such project from the University
2 of Nebraska Facilities Program of 2006. In no case shall any such
3 contract extend for a period beyond December 31, 2021, nor shall
4 any such contract exceed the repayment capabilities implicit in the
5 funding streams authorized in sections 1 and 3 of this act.

6 (2) The Board of Regents of the University of Nebraska
7 shall not pledge the credit of the State of Nebraska for the
8 payment of any sum owing on account of such contract, except
9 that there may be pledged for the payment of any such contract
10 any appropriation specifically made by the Legislature for such
11 purpose, together with such funds of the Board of Regents of the
12 University of Nebraska as the board determines. No contract shall
13 be entered into pursuant to this section without prior approval
14 by resolution by the Board of Regents. The Board of Regents may
15 also convey, lease, or lease back all or any part of the projects
16 authorized by section 3 of this act and the land on which such
17 projects are situated to such person, firm, or corporation as the
18 Board of Regents may contract with pursuant to this section to
19 facilitate the long-term payment of the cost of such projects. Any
20 such conveyance or lease shall provide that when the cost of such
21 projects has been paid, together with interest and other costs
22 thereon, such projects and the land on which such projects are
23 located shall become the property of the Board of Regents.

24 (3) The Board of Regents of the University of Nebraska
25 is authorized to make expenditures for the purposes stated in this

1 section and section 3 of this act from investment income balances
2 in any fund created under the authority provided for in any
3 contract or contracts authorized by this section. Any appropriated
4 amounts and amounts designated or matched by the Board of Regents
5 under section 1 of this act in excess of amounts required to
6 meet debt service and any interest earnings derived from reserve
7 funds or any other funds created under the authority provided
8 for in any contract or contracts authorized by this section
9 shall be accumulated and applied toward early retirement of debt
10 as authorized under any resolution, indenture, or other contract
11 entered into by the Board of Regents as authorized by this section.
12 The Board of Regents and the Department of Administrative Services
13 shall, on or before January 1, 2007, enter into an agreement
14 providing for the allocation and distribution of any balances
15 existing in the University of Nebraska Facilities Program of 2006
16 or any other funds created as part of a long-term contract entered
17 into by the Board of Regents pursuant to this section to the
18 General Fund and any other funds designated by the Board of Regents
19 as a source of funds for the match specified in section 1 of this
20 act either on December 31, 2021, or when all financial obligations
21 incurred in the contracts entered into by the Board of Regents
22 pursuant to this section are discharged, whichever occurs first.

23 Sec. 5. The State College Facilities Program of 2006 is
24 created. All funds appropriated to the program by the Legislature
25 shall be used exclusively for deferred maintenance, repair, and

1 renovation projects authorized pursuant to section 6 of this act.

2 Sec. 6. (1) Beginning with the fiscal year commencing
3 July 1, 2006, and continuing through the fiscal year ending
4 June 30, 2020, the Legislature shall appropriate each fiscal
5 year from the General Fund an amount not less than one million
6 one hundred twenty-five thousand dollars to the State College
7 Facilities Program of 2006 to be used by the Board of Trustees of
8 the Nebraska State Colleges to accomplish projects as provided in
9 this section. Through the allotment process established in section
10 81-1113, at a minimum, the Department of Administrative Services
11 shall make appropriated funds available. Undisbursed appropriations
12 balances existing in the State College Facilities Program of 2006
13 at the end of each fiscal year until June 30, 2021, shall be and
14 are hereby reappropriated.

15 (2) The Legislature finds and determines that the
16 projects funded through the program are of critical importance to
17 the State of Nebraska. It is the intent of the Legislature that
18 the appropriations to the program shall not be reduced until all
19 contracts and securities relating to the construction and financing
20 of the projects or portions of the projects funded from such funds
21 or accounts of such funds are completed or paid but in no case
22 shall such appropriations extend beyond the fiscal year ending
23 June 30, 2020, nor shall the cumulative total of the General Fund
24 appropriations for the program exceed fifteen million seven hundred
25 fifty thousand dollars.

1 (3) Subject to the receipt of project approval from the
2 Coordinating Commission for Postsecondary Education as required
3 by subsection (10) of section 85-1414 for each of the following
4 state college projects, the Board of Trustees of the Nebraska
5 State Colleges is authorized to make expenditures from the State
6 College Facilities Program of 2006 for the following state college
7 projects: (a) Deferred maintenance, repair, and renovation of
8 Chadron State College Academic/Administration Building; (b) design
9 and placement of a new Peru State College emergency power
10 generator; (c) replacement of existing Peru State College Al
11 Wheeler Activity Center bleachers; (d) addition to and deferred
12 maintenance, repair, and renovation of Peru State College Al
13 Wheeler Activity Center; (e) addition to and deferred maintenance,
14 repair, and renovation of Wayne State College Campus Services
15 Building; (f) deferred maintenance, repair, and renovation of Wayne
16 State College Rice Auditorium; (g) deferred maintenance, repair,
17 and renovation of Wayne State College Memorial Stadium; and (h)
18 systemwide miscellaneous fire and life safety, energy conservation,
19 deferred repair, federal Americans with Disabilities Act of 1990,
20 and asbestos removal projects.

21 (4) Expenditures of matching funds provided for the
22 projects listed in this section by the Board of Trustees of the
23 Nebraska State Colleges as provided for in section 1 of this act
24 shall be accounted for in the Nebraska State Accounting System
25 through the State College Facilities Program of 2006 or according

1 to some other reporting process mutually agreed upon by the state
2 colleges and the Department of Administrative Services.

3 (5) The Board of Trustees of the Nebraska State Colleges
4 shall record and report, on the Nebraska State Accounting System,
5 expenditure of amounts from the State College Facilities Program
6 of 2006 and expenditure of proceeds arising from any contract
7 entered into pursuant to this section and section 7 of this
8 act in such manner and format as prescribed by the Department
9 of Administrative Services or according to some other reporting
10 process mutually agreed upon by the state colleges and the
11 Department of Administrative Services.

12 (6) The Board of Trustees of the Nebraska State Colleges
13 shall provide to the Task Force for Building Renewal semiannual
14 reports concerning the status of each project authorized by this
15 section.

16 Sec. 7. (1) In order to accomplish any projects
17 authorized by section 6 of this act, the Board of Trustees of
18 the Nebraska State Colleges may enter into contracts with any
19 person, firm, or corporation providing for the implementation of
20 any such project of the Nebraska state colleges and providing for
21 the long-term payment of the cost of such project from the State
22 College Facilities Program of 2006. In no case shall any such
23 contract extend for a period beyond December 31, 2020, nor shall
24 any such contract exceed the repayment capabilities implicit in the
25 funding streams authorized in sections 1 and 6 of this act.

1 (2) The Board of Trustees of the Nebraska State Colleges
2 shall not pledge the credit of the State of Nebraska for the
3 payment of any sum owing on account of such contract, except
4 that there may be pledged for the payment of any such contract
5 any appropriation specifically made by the Legislature for such
6 purpose, together with such funds of the Board of Trustees as the
7 board determines. No contract shall be entered into pursuant to
8 this section without prior approval by resolution by the Board of
9 Trustees. The Board of Trustees may also convey, lease, or lease
10 back all or any part of the projects authorized by section 6 of
11 this act and the land on which such projects are situated to such
12 person, firm, or corporation as the Board of Trustees may contract
13 with pursuant to this section to facilitate the long-term payment
14 of the cost of such projects. Any such conveyance or lease shall
15 provide that when the cost of such projects has been paid, together
16 with interest and other costs thereon, such projects and the land
17 on which such projects are located shall become the property of the
18 Board of Trustees.

19 (3) The Board of Trustees of the Nebraska State Colleges
20 is authorized to make expenditures for the purposes stated in
21 this section and section 6 of this act from interest income
22 balances in any fund created under the authority provided for
23 in any contract or contracts authorized by this section. Any
24 appropriated amounts and amounts designated or matched by the Board
25 of Trustees under section 1 of this act in excess of amounts

1 required to meet debt service and any interest earnings derived
2 from reserve funds or any other funds created under the authority
3 provided for in any contract or contracts authorized by this
4 section shall be accumulated and applied toward early retirement
5 of debt as authorized under any resolution, indenture, or other
6 contract entered into by the Board of Trustees as authorized
7 by this section. The Board of Trustees and the Department of
8 Administrative Services shall, on or before January 1, 2007, enter
9 into an agreement providing for the allocation and distribution of
10 any balances existing in the State College Facilities Program of
11 2006 or any other funds created as part of a long-term contract
12 entered into by the Board of Trustees pursuant to this section to
13 the General Fund and any other funds designated by the Board of
14 Trustees as a source of funds for the match specified in section
15 1 of this act either on December 31, 2020, or when all financial
16 obligations incurred in the contracts entered into by the Board of
17 Trustees pursuant to this section are discharged, whichever occurs
18 first.

19 Sec. 8. Since an emergency exists, this act takes effect
20 when passed and approved according to law.